

GULF COAST CRISIS: PAYING FOR KATRINA**Fiscal conservatives riled****Some Republicans demand fast cuts in other spending**

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WASHINGTON -- As Republicans rush to make amends for a slow initial response to Hurricane Katrina by doling out billions of dollars in aid, GOP leaders in the process are angering their core supporters and dividing their members in Congress by greatly expanding the federal deficit.

The \$62.3 billion that Congress approved for hurricane relief in the last week, with much more to come, is an enormous, unforeseen boost in federal spending, and so far there has been no effort to make comparable cuts in spending elsewhere.

In closed-door meetings, fiscal conservatives have begged their colleagues not to put the cost of disaster relief on the government credit card for future generations to carry.

Among those who have protested in these private sessions is Rep. Jeff Flake (R-Ariz.), a fiscal conservative who said his colleagues greeted his suggestion that disaster relief be offset by other cuts with "stone cold silence." He added, "You would have thought I was a Martian."

It is clear that Republican leaders' overwhelming priority at the moment is to project competence and generosity in the aftermath of Katrina. But Rep. Jeb Hensarling (R-Texas) said Republicans need to have heart-to-heart discussions about adding so much to the nation's debt.

"You can't tell me there aren't places to save a penny or two on the dollar and ship it to relief in Louisiana, Alabama and Mississippi," Hensarling said. "I just don't believe it as I look around."

Conservatives insist that they want to help hurricane victims and are not trying to stop Congress or the president from sending the money that's needed to rebuild. They just say the money should come from cuts in other federal programs.

"We have to be there for the families and the communities," said Rep. Mike Pence (R-Ind.). "But we also have an obligation to the rest of the American people and to future generations."

Other matters sidelined

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But the focus on the disaster also has caused an upheaval in the legislative agenda, delaying plans to reconcile the budget with cuts in Medicare, Medicaid and student-loan and food-stamp programs.

Senate Majority Leader Bill Frist (R-Tenn.) pulled legislation from the floor to cut the estate tax under heavy criticism from Democrats, who had accused Republicans of preferring to help the rich over helping people affected by the storm.

In addition, some Democrats expressed dismay that anyone would worry about the deficit during a national emergency.

Sen. Mary Landrieu (D-La.) shook her head angrily when a reporter asked Senate Democratic Leader Harry Reid about Republican hand-wringing over the deficit.

Reid said Republicans should have asked hard questions about spending before Katrina, citing tax cuts that gobbled up the surplus left by the Clinton administration five years ago.

"When this administration took over, we had a surplus of--it's debatable how much it was, but some say over \$6 trillion over 10 years," said Reid, of Nevada. "Now, we are in the red so far you can't see the end of the red ink."

Current budget estimates put the deficit at \$331 billion for fiscal 2005, which ends Sept. 30.

Republicans view the tax cuts as a stimulant to the economy and say they had been making progress in meeting President Bush's goal of cutting the annual budget deficit in half by the end of his second term.

Now, they complain, the deficit is likely to spike as high as \$500 billion to \$600 billion with Congress moving to spend upwards of \$200 billion on Katrina.

Until the price tag is determined, everything else is on hold, a senior House Republican leadership aide said.

"I think everything is under re-evaluation until we get a better handle on this particular situation," the aide said.

Conservatives have made a host of suggestions to cover the cost of relief. Many would like to delay the prescription drug benefit under Medicare for a year, which they say would yield \$40 billion to \$50 billion.

They also have suggested eliminating the billions in pork-barrel spending projects added to the transportation bill, which Bush recently signed. Others would like across-the-board spending cuts of 10 percent.

"We're going to have to put a real sharp pencil to the budget, sharper than we have ever had to do before," said Rep. Ray LaHood (R-Ill.).

Still, he said, now is the time to focus on disaster relief.

"It's a little unrealistic for us to be sitting around at this moment having a lot of heartburn about the deficit," LaHood said.

But some of his colleagues say all Republicans will pay a political price if they ignore their party's

principles of reducing federal spending and cutting the deficit.

"If voters want bigger government, sooner or later they're going to return to the genuine article, and that's the Democratic Party," Flake said.

Voter fallout

More immediately, Rep. Tom Feeney (R-Fla.) said voters dismayed by the heavy federal spending might opt to stay home from the polls during midterm elections in November 2006.

"Alienating your base of fiscal conservatives is the worst thing you can do in the second year of a two-term administration," Feeney said.

Even Sen. Jeff Sessions, a Republican from Katrina-damaged Alabama, worried that Congress is rushing too fast to spend taxpayer dollars.

"When figures start flowing up to \$200 billion, I have concerns," Sessions said, noting that "\$1 billion is a lot of money."

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